

Success Story: Reducing Turnover to Improve Customer Retention

Client Challenge

- The client was experiencing sales representative turnover of 117% due to poor sourcing, onboarding, and deployment processes
- High turnover, and a poorly designed sales representative incentive compensation program, contributed to unacceptable customer acquisition and customer retention results, key components of the business strategy
- Poor customer retention contributed to low average sales per customer, constrained revenue growth, and insufficient EBITDA

Our Solution

- Determined and quantified the financial impact of sales representative turnover on new account acquisition, customer retention and EBITDA
- Redesigned the approach to sales representative base and incentive compensation to increase alignment with customer retention and improve sales representative retention
- Identified the onboarding practices that caused suboptimal sourcing, orientation and training, and contributed to sales representative turnover

Impact

- Turnover dropped from 117% to 47%
- Increased average revenue per customer 17.1%; customer retention increased 21.2%
- Average revenue per customer for pilots exceeded the national average by 21.4%
- 20% improvement in EBITDA

Execute for Impact